

FISCAL NOTE

HB 858 - SB 1610

April 7, 2003

SUMMARY OF BILL: Requires health insurance issuers to reimburse physicians for services rendered beginning from the date that the physician submitted an application for credentialing by the insurance company.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$200,000

Currently providers are not included in a managed care organization's network until the MCO completes the credentialing process. This includes receiving and confirming information from a provider about professional degrees, experience, hospital and group affiliations, insurance status, malpractice and disciplinary actions, etc.

This bill would allow a provider to be reimbursed prior to joining the MCO's network. Currently MCOs can deny reimbursement for non-emergency out-of-network services that did not receive pre-approval. The bill would increase TennCare expenditures, however the amount cannot be determined but is estimated to exceed \$300,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director